

INFORMATIONAL MEMORANDUM KY-FD-IM-S-03-02

TO: All Food Service Directors

FROM: Pat Cassetty, Director
Division of Food Distribution

DATE: June 17, 2002

SUBJECT: 2002 Farm Bill Provision and Group B Foods Requests

With passage of the 2002 Farm Bill several commodity programs were affected. One provision removed, until 2004, the 12% calculation for bonus foods. In effect this provides an additional \$2.5 million dollars of entitlement foods for school systems in Kentucky. However, since it is too late to increase the 2002 entitlement, all the FY2002 funds will be applied to SY2003 entitlement. Please check the web site to see your new entitlement amount.

To help spend the additional funds USDA has changed or eliminated the cap (maximum amount of product offered to a state) for different commodity groups. Please see the following.

Meat/Poultry

- The cap for Chicken/Eggs, Turkey, Beef and Pork product groups are no longer applicable.
- However, the caps for Breaded Chicken, Deli Turkey and Turkey Roasts commodity groups are still in effect. USDA has asked Agriculture Marketing Service (AMS) to increase these caps, but production restrictions may limit the ability to grant an increase. We will keep you informed of any changes.

Fruits and Vegetables

- Orders for peaches, pears, fruit mix, pineapple, strawberries and apricots have been placed as requested. Since these items were open-ordered (no cap) we have placed orders according to your request.
- The cap on the tomato and potato products is no longer applicable. We will place orders for these products as requested.
- Caps for all other vegetable products remain in effect.

*******IMPORTANT INFORMATION PLEASE READ*******

GROUP B FOODS

- At this time *You May Request Additional Quantities Of Group B Foods* for receipt through your distributor or shipment to a processor for the second diversion period. However, USDA will be working closely with Kansas City Commodity Office (KCCO) in case monthly cheese orders begin to hit the maximum quantities available.

*If you wish to change your Group B Survey for SY2003, log onto the Food Distribution Electronic food request Form and make the your desired changes. All changes must be made no later than **August 23, 2002**. All requests will be honored if received by deadline, as long quantities are available. If you have questions about using the web to increase your order, please contact Angela Wash at (502) 573-0298 extension 278.*

Also USDA is looking at more processed-type products to offer. However, if purchases of these products are made they will be later in the school year.

It looks like a very good year for the commodity program and as always should you have questions about these changes or other commodity issues you are encouraged to contact this office.

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